

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 7/25/2013

Action Requested By:
Engineering

Agenda Item Type
Resolution

Subject Matter:

Modification No. 1 to Agreement with J. C. Cheek Contractors, Inc.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to modify the agreement with J. C. Cheek Contractors, Inc. for Periodic Bid for Traffic Striping and Marking-2012, Project No. 65-12-SP33, by Modification No. 1

12-629

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Contract modification is for various traffic striping project services as needed, and is intended for smaller projects of approximately \$50,000 for a total contract amount of \$200,265.00. Contract time is one year, with one year renewal period options as allowable by the State Bid Law. Account numbers will be assigned individually as work orders are delivered to the Contractor.

Associated Cost:

Budgeted Item: Select...

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: Don J. [Signature]

Date: 7/15/13

revised 3/12/2012

For Richard Kruger

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: **Engineering**

Council Meeting Date: **7/25/2013**

Department Contact: **Lynn Majors**

Phone # **256-427-5201**

Contract or Agreement: **Modification No. 1**

Document Name: **JC Cheek-Traffic Striping Periodic-Project No. 65-12-SP33**

City Obligation Amount: **\$200,265.00**

Total Project Budget: **\$200,265.00**

Uncommitted Account Balance: **0**

Account Number: Account numbers will be assigned individually as work orders are delivered to the Contractor

Procurement Agreements

<u>Title 39</u>	<u>Competitive</u>
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Grant-Funded Agreements

<u>Not Applicable</u>	Grant Name:
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Department	Signature	Date
1) Originating	<i>[Signature]</i> For Richard Kroner	7/15/13
2) Legal	<i>[Signature]</i>	7-15-13
3) Finance	<i>[Signature]</i>	7/14/13
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

RESOLUTION NO. 13-_____

WHEREAS, the City of Huntsville, Alabama and J. C. Cheek Contractors, Inc., previously entered into an agreement pursuant to Resolution No. 12-629 of the City Council of the City of Huntsville, Alabama; and

WHEREAS, the parties desire to amend the said agreement to accurately reflect the contract price for the renewal term; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor of the City of Huntsville is hereby authorized, requested and directed to enter into Modification No. 1 to the Agreement between the City of Huntsville, Alabama and J. C. Cheek Contractors, Inc., as adopted by Resolution No. 12-629 on July 26, 2012, said modification being substantially similar in words and figures to that document identified as "MODIFICATION NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA AND J. C. CHEEK CONTRACTORS, INC. FOR PERIODIC BID FOR TRAFFIC STRIPING AND MARKING-2012, PROJECT NO. 65-12-SP33" consisting of three (3) pages plus one (1) additional page consisting of Attachment "A", and the date of July 25, 2013, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville.

ADOPTED this the 25th day of July, 2013.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 25th day of July, 2013.

Mayor of the City of Huntsville,
Alabama

STATE OF ALABAMA

)

COUNTY OF MADISON

)

Modification No. 1 to the
Agreement Between the City of
Huntsville and J. C. Cheek
Contractors, Inc., as adopted by
Resolution No. 12-629 on July 26,
2012

**MODIFICATION NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF HUNTSVILLE,
ALABAMA AND J. C. CHEEK CONTRACTORS, INC. FOR PERIODIC BID FOR TRAFFIC
STRIPING AND MARKING-2012, PROJECT NO. 65-12-SP33**

THIS AGREEMENT entitled "Modification No. 1 to the Agreement Between the City of Huntsville, Alabama and J. C. Cheek Contractors, Inc. for Periodic Bid for Traffic Striping and Marking-2012, Project No. 65-12-SP33" as referenced above and is entered into on this the 25th day of July, 2013, by and between the CITY OF HUNTSVILLE, Alabama (City) and J. C. Cheek Contractors, Inc., (Contractor).

WITNESSETH

WHEREAS, the parties entered into an agreement dated July 26, 2012 for the Contractor to install, construct or make certain improvements known as Periodic Bid for Traffic Striping and Marking-2012, Project #65-12-SP33; and

WHEREAS, the said Agreement provided that the term of the contract was one year with the City having the right, pursuant to Alabama state law, to extend the Agreement for an additional two years; and

WHEREAS, contrary to the intent of the parties, the price for the two-year extension was not specified; and

WHEREAS, the parties desire to modify the Agreement to accurately reflect the intention and agreement of the parties.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree to modify the Agreement as follows:

President of the City Council of the
City of Huntsville, Alabama
Date: July 25, 2013

1. Paragraph Two of Page 2 of Attachment B of the Agreements, which currently reads as follows:

Prices to remain firm for the first year of the contract term. Any price increase imposed during the extended contract period shall be in exact increments of any increase imposed by the contractor's supplier. Written verification of any such increase must be submitted to the City of Huntsville for consideration. If an agreement cannot be reached concerning any such price increases, the City of Huntsville reserves the right to cancel the contract.

shall be deleted in its entirety and replaced with the following:

Prices to remain firm for the first year of the contract term and any extension period unless increased pursuant to the provisions of this section. Any price increase imposed during the extended contract period shall be in exact increments of any increase imposed by the contractor's supplier. Written verification of any such increase must be submitted to the City of Huntsville for consideration. If an agreement cannot be reached concerning any such price increases, the City of Huntsville reserves the right to cancel the contract.

2. Paragraph One of Page 2 of Attachment B of the Agreements, which currently reads as follows:

The undersigned bidder understands that the Contract Time for this periodic contract is one (1) year from the date of award, with services provided on an on-call basis. The City of Huntsville reserves the right to extend the contract for an additional two (2) years as provided by State Law.

Shall be deleted in its entirety and replaced with the following:

The contract time for this periodic contract is one (1) year from the date of award, with services provided on an as-needed basis with up to the Not to Exceed (NTE) Amount. The City of Huntsville reserves the right to extend the contract time for up to two (2) additional one (1) year periods with each renewal year having a new NTE Amount in the same amount as the initial year. Notification of yearly renewal shall be by written letter from the City Engineer.

3. All other terms and conditions of the original Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this agreement on the 25th day of July, 2013.

ATTESTED:

THE CITY OF HUNTSVILLE, ALABAMA

By: _____

By: _____
Mayor Tommy Battle

Date: _____

ATTESTED

J. C. CHEEK CONTRACTORS, INC.

By: Deborah Augustan

By: 
Hollis Cheek

Date: July 15, 2013

Its: President

ATTACHMENT "A"



HUNTSVILLE

Kathy Martin, P.E.
Director
City Engineer

Urban Development Department
Engineering Division

July 9, 2013

J. C. Cheek Contractors, Inc.
P. O. Box 1138
Kosciusko, MS 39090

ATTN: Hollis Cheek

RE: **Periodic Bid for Traffic Striping & Marking-2012**
Project No. 65-12-SP33

Dear Mr. Cheek:

We are pleased to extend your contract in the above-referenced project for another one-year period, at current pricing, beginning July 26, 2013 through July 26, 2014. Please acknowledge acceptance of same by your signature in the space provided at the end of this letter and return the letter to Penny Kelly, Engineering Contracts Coordinator.

As always, we look forward to working with you and appreciate the good work you do for the City of Huntsville.

Sincerely,

Kathy Martin, P.E.
Director of City Engineering

ACCEPTED BY: Hollis Cheek/President

SIGNATURE:

DATE: July 10, 2013

The Star of Alabama

P. O. Box 308 · Huntsville, AL 35804-0308 · Phone 256-427-5300 · FAX 256-427-5326
www.huntsvilleal.gov